

STATEMENT OF JOHN J. DUFFY, COUNSELOR TO THE SECRETARY,  
DEPARTMENT OF THE INTERIOR, BEFORE THE SENATE COMMITTEE ON  
INDIAN AFFAIRS AND THE HOUSE SUBCOMMITTEE ON NATIVE AMERICAN  
INSULAR AFFAIRS ON S. 487, THE PROPOSED INDIAN GAMING  
REGULATORY ACT AMENDMENTS ACT OF 1995.

JUNE 22, 1995

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, I AM PLEASED TO  
PRESENT THE VIEWS OF THE DEPARTMENT OF THE INTERIOR ON S.487, A  
BILL PROPOSING AMENDMENTS TO THE INDIAN GAMING REGULATORY ACT OF  
1988.

I WANT TO BEGIN BY EMPHASIZING THAT THE DEPARTMENT STRONGLY  
SUPPORTS TRIBES ENGAGING IN GAMING ACTIVITIES. AS A TOOL FOR  
TRIBAL ECONOMIC DEVELOPMENT, INDIAN GAMING IS WORKING. GAMING  
TRIBES NOW HAVE MORE FUNDS AVAILABLE TO PROVIDE THEIR PEOPLE WITH  
HEALTH CARE, EDUCATION, AND SOCIAL SERVICES. ALTHOUGH THERE IS  
NO SYSTEMATICALLY COLLECTED DATA ON THE TRIBAL USE OF GAMING  
PROCEEDS, INFORMATION SUPPLIED BY GAMING TRIBES INDICATES THAT  
GAMING REVENUES ARE USED BY TRIBES FOR THE FOLLOWING PURPOSES:

1) INFRASTRUCTURE (NEW ROADS, WATER AND SEWER SYSTEMS, AND  
COMMUNITY CENTERS); 2) ECONOMIC DEVELOPMENT (LAND ACQUISITIONS,  
NEW BUSINESS DEVELOPMENT, LONG-TERM INVESTMENTS); 3) COMMUNITY  
GRANTS (PAYMENTS TO LOCAL GOVERNMENTS FOR SCHOOLS, POLICE  
PROTECTION, AND SOCIAL SERVICE PROGRAMS); 4) HEALTH CARE (FUNDING  
HEALTH INSURANCE PROGRAMS, NEW MEDICAL FACILITIES, AND PROGRAMS  
FOR THE ELDERLY); 5) EDUCATION (SCHOLARSHIPS, NEW SCHOOL  
FACILITIES, DAY CARE SUBSIDIES, SCHOOL BUSES, AND YOUTH  
PROGRAMS); AND 6) HOUSING (HOME CONSTRUCTION, REPAIRS AND SENIOR

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CITIZEN HOUSING). IN ADDITION, INDIAN GAMING AND RELATED ECONOMIC ACTIVITIES HAVE IMPROVED RESERVATION EMPLOYMENT OPPORTUNITIES FOR TRIBAL MEMBERS AND FOR MEMBERS OF THE SURROUNDING NON-INDIAN COMMUNITIES AS WELL. THE BENEFITS OF INDIAN GAMING ARE ACCRUING TO THE APPROXIMATELY 150 INDIAN TRIBES WHICH ARE CURRENTLY OPERATING CLASS II OR CLASS III GAMING ESTABLISHMENTS IN 28 STATES.

THE BILL PROVIDES A FRAMEWORK FOR REGULATION OF GAMING ACTIVITIES ON INDIAN LANDS. S. 487 REQUIRES THE FORMULATION OF MINIMUM FEDERAL STANDARDS FOR THE REGULATION AND LICENSING OF CLASS II AND CLASS III GAMING, AS WELL AS REGULATION OF ALL CONTRACTORS, SUPPLIERS, AND INDUSTRIES ASSOCIATED WITH SUCH GAMING. WE SUPPORT THE CREATION OF SUCH STANDARDS AS LONG AS THEIR DEVELOPMENT AND ENFORCEMENT ARE CONSISTENT WITH THE PRINCIPLES OF TRIBAL SOVEREIGNTY AND SELF-DETERMINATION. ALTHOUGH THE BILL ESTABLISHES A SEVEN MEMBER ADVISORY COMMITTEE TO DEVELOP RECOMMENDATIONS FOR MINIMUM FEDERAL STANDARDS IN THE AREAS OF BACKGROUND INVESTIGATIONS, INTERNAL CONTROL SYSTEMS AND LICENSING STANDARDS, WE ARE CONCERNED THAT THIS PROCESS MAY NOT PROVIDE FOR ENOUGH TRIBAL PARTICIPATION.

WITH RESPECT TO THE MEMBERS OF THE CURRENT NATIONAL INDIAN GAMING COMMISSION, WE BELIEVE THAT TO PROVIDE SOME CONTINUITY DURING THE TRANSITION, COMMISSIONERS SERVING AT THE TIME OF THE PASSAGE OF THE ACT SHOULD BE PERMITTED TO SERVE OUT THEIR TERM.

THE BILL ALSO MAKES SEVERAL PROPOSED CHANGES IN THE COMPACTING PROCESS FOR CLASS III GAMING ACTIVITIES. WHILE WE UNDERSTAND AND RESPECT THE RATIONALE FOR THESE CHANGES, WE BELIEVE THAT THE PRESENT PROCESS CAN WORK IF THE LACK OF CERTAINTY ABOUT THE ABILITY OF TRIBES TO SUE STATES IN FEDERAL COURT IS RESOLVED BY THE COURTS IN FAVOR OF THE CONSTITUTIONALITY OF THE INDIAN GAMING REGULATORY ACT OF 1988.

THIS CONCLUDES MY STATEMENT. I WILL BE HAPPY TO ANSWER ANY QUESTIONS THE COMMITTEE MAY HAVE. THANK YOU.